

June 23, 2020

2020-2021

PRELIMINARY BUDGET

TIMELINE

- ▶ Adopt Preliminary budget on June 23rd
 - ▶ The preliminary budget will be presented on the required Arizona State Form
 - ▶ The preliminary budget sets the maximum limits for expenditures
- ▶ Schedule A of the State Form will be published in the Verde Independent
- ▶ Adopt the Final budget & Property Tax Levy by resolution on July 14th
- ▶ Adopt the Property Tax Levy by Ordinance on August 11th

CONTINGENCY BUDGET LINES

- ▶ **CONSTRUCTION TAX** will be retained in general fund
 - ▶ Council decided to budget the Construction Tax as a Contingency in the General Fund FY 20-21 budget.
- ▶ **20-21 FUND BALANCE**
 - ▶ The total fund balance available for designation this year is, \$424,733
 - ▶ This year Council decided to budget \$404,733 of the Fund Balance as a Contingency, \$20,000 was designated for the ongoing roof replacement project.
- ▶ Contingencies set up the possibility of expenses depending on revenues

CONTINGENCY BUDGET LINES

UPDATE SINCE LAST PRESENTATION

► CARES ACT AND FEMA FUNDING

- \$600,000 additional Contingency has been added to the budget since the April 30th Council presentation.
- Clarkdale has the potential to receive \$504,116 from the CARES ACT
- It may be possible for Clarkdale to receive some additional funding from FEMA

Additional Documents

- ▶ The Proposed Budget Summary reflects a summary of the budget which was reviewed during the April 30th work session.
 - ▶ Compares the 2019-2020 budget to the 2020-2021 budget and the percentage of change.
 - ▶ Reflects the designated funds included in each fund
- ▶ The Preliminary Designated Fund Summary
 - ▶ Provides the detail allocation of funds
 - ▶ Updated with current balances as of 6-12-2020

Auditor General's Budget Form

- ▶ Preliminary Budget adoption and public notices are required to be on the Auditor General's budget forms.
- ▶ Designated Funds, line 3 Schedule A, represent \$6,589,063 of the 2020-2021 budget (updated to reflect current balances)
 - ▶ Detail of fund breakdown on DESIGNATED FUNDS PRELIMINARY handout
- ▶ Schedule B shows 2021 Tax Levy = \$592,866 and Rate = 1.5841.
 - ▶ Total transfers to line 4 on Schedule A

Auditor General's Budget Form

- ▶ Schedule C – Revenues other than Property Taxes
 - ▶ Totals for the 2020-2021 budget are in last column
 - ▶ General Fund = \$4,257,012
 - ▶ Special Revenue Fund = \$4,532,679
 - ▶ Streets , Developer Reimbursable, CDBG, Grants, Court Enhancement
 - ▶ Capital Projects Fund = \$600,000
 - ▶ Permanent Funds = \$3,000
 - ▶ Perpetual Care
 - ▶ Enterprise Funds = \$3,010,534
 - ▶ Water, Wastewater, Cemetery and Sanitation
- ▶ All Revenues transfer to line #6 on Schedule A
 - ▶ Totals \$12,403,225.

Auditor General's Budget Form

- ▶ Schedule D – Other Financing Sources and Interfund Transfers

- ▶ \$10,000 Transfer from Sanitation to Streets
- ▶ \$216,692 Administrative Transfers between Funds
- ▶ \$8,679 Transfer from Perpetual Fund to Cemetery
- ▶ \$12,250 Transfer from Donation (YAN) to Verde River Raps
- ▶ -----
- ▶ \$247,621 Total Transfers

- ▶ Transfers to Lines #9 and #10 on Schedule A

Auditor General's Budget Form

- ▶ Schedule E – Expenditures by Fund
 - ▶ Totals for the 2020-2021 budget are in last column
- ▶ General Fund \$ 5,564,910
 - ▶ (General Fund and Donations)
- ▶ Special Revenue Fund \$ 5,888,205
 - ▶ (Streets, Grants, Developer Reimbursement and Court Enhancement)
- ▶ Capital Projects Fund \$704,537
- ▶ Permanent Fund \$15,508
 - ▶ (Perpetual Care Fund)
- ▶ Enterprise Funds \$ 7,411,994
 - ▶ (Water, Wastewater, Sanitation & Cemetery)
- ▶ Total All Funds \$19,585,154
 - ▶ Reflects a 7.50% increase

- ▶ Transfers to line #12 on Schedule A

Auditor General's Budget Form

► Schedule G – Personnel Compensation

► General Fund \$2,547,229

► Special Revenue Fund

► Streets \$ 224,676

► Grants \$ 65,676

► Enterprise Funds

► Wastewater \$ 212,268

► Sanitation \$ 63,287

► Cemetery \$ 22,318

► Water \$ 374,551

► Total all Funds \$3,510,005

Next Steps

- ▶ Publish Schedule A of State Form in newspaper with notice of Public Hearing

July 14, 2020

- ▶ Hold Public Hearing on Final Budget
- ▶ Adoption of Final Budget by Resolution
 - ▶ There will be no changes from the Preliminary Budget you reviewed today
- ▶ Adoption of Primary Property Tax Levy by Resolution

August 11, 2020

- ▶ Adoption of Ordinance setting the valuation of property along with the Property Tax Levy